



## Administrative Regulation

### Paid Time Off (PTO)

|                        |                    |
|------------------------|--------------------|
| <b>Policy #</b>        | 03-02.01           |
| <b>Effective Date:</b> | September 27, 2016 |
| <b>Revision Date:</b>  | June 2, 2020       |
| <b>Owner:</b>          | Human Resources    |

#### Purpose:

To provide employees with paid time away from the workplace.

#### Scope:

All non-represented employees hired after October 1, 2016 and all other employees who voluntarily opted into the PTO plan.

#### Policy:

The City is committed to providing employees with sufficient paid time off for rest and relaxation, and to address personal and family medical needs. The City wishes to provide maximum flexibility as to how employees may use accrued time off and therefore believes that a program that consolidates vacation, sick, floating holiday and bereavement leave time in one bank (Paid Time Off or PTO) is in both the City's and employees' best interests. PTO may not be used in less than 15 minutes increments (.25 hours on time card). Employees are responsible for managing their PTO account.

Paid Time Off does not include City observed holidays.

#### Procedure:

##### 1. Scheduled Paid Time Off (PTO)

- 1.1. Employees should follow the notification procedures for their respective departments.
- 1.2. The City reserves the right to deny PTO requests which may have an adverse effect on its operations or to cancel previously approved PTO requests if unexpected circumstances arise which require an employee's attendance at work.
- 1.3. A request for more than 3 consecutive weeks off must be approved by the department director with business continuity needs as top priority.
- 1.4. Employees with insufficient PTO balances to cover requested periods of time off may be granted excused leave without pay solely at the discretion of the department director after advisement from Human Resources.

1.5. Employees with accrued PTO balances may not opt to take leave without pay in lieu of PTO for purposes of saving accrued PTO time.

1.6. PTO hours will be paid at the employees current rate of pay at the time the PTO is taken.

2. Unscheduled/Short-Notice PTO

2.1. Employees shall notify their supervisor of an unexpected need to be absent at least thirty minutes prior to the start of their work day or shift or in accordance with department procedures.

2.2. Time off not scheduled in accordance with department notification procedure is considered short-notice. If a pattern of abuse is noted, employees may be subject to discipline.

3. Coding of PTO

3.1. Employees should code the same number of PTO hours as they would have worked that day, typically not to exceed their normal work week.

3.1.1. Employees receiving Short-Term Disability benefits may request to use accrued leave hours to supplement either 20 or 40% of their normal daily scheduled hours.

3.1.2. Employee's receiving Long Term Disability benefits are required to use accrued leave hours to supplement 40% of their normal daily scheduled hours.

3.2. The first 40 hours of time coded per year, related to personal illnesses and injuries, to care for a family member with an illness, injury or medical appointment, for any reason that qualifies under FMLA/OFLA, for preventative care, and for certain public health emergencies will apply to Oregon Sick Time (OST).

3.3. Employees should not code PTO for any injury or illness that is compensable under workers' compensation, unless the employee is receiving time loss benefits and chooses to make up the difference between time loss and their regular base wage.

4. Accrual of PTO

4.1. PTO accrues on hours paid up to a max of 40 hours in a week.

4.2. PTO will not accrue on unpaid earn codes.

4.3. Maximum PTO bank balance is limited to two times (2X) the employee's annual accrual rate. An employee may exceed the maximum accumulation throughout the year so long as the employee's accrued vacation is under the maximum allowance at the pay period end that includes December 31<sup>st</sup> of each calendar year.

#### 4.4. Accrual Schedule:

| <b>Length of Continuous Service In Years</b> | <b>Annual Accruals (Hours)</b> | <b>Annual Accrual (Days)</b> | <b>BIWK Accrual</b> | <b>Annual Accruals (Hours)</b> | <b>Annual Accrual (Days)</b> | <b>BIWK Accrual</b> |
|--|--------------------------------|------------------------------|---------------------|--------------------------------|------------------------------|---------------------|
|  | <b>EXEMPT</b>                  |                              |                     | <b>NON EXEMPT</b>              |                              |                     |
| 0-2 Years<br>(0-35 Months)                   | 200                            | 25                           | 7.680               | 160                            | 20                           | 6.160               |
| 3-7 Years<br>(36-95 Months)                  | 224                            | 28                           | 8.640               | 184                            | 23                           | 7.040               |
| 8-12 Years<br>(96-155 Months)                | 248                            | 31                           | 9.520               | 208                            | 26                           | 8.000               |
| 13-17 Years<br>(156-215 Months)              | 272                            | 34                           | 10.480              | 232                            | 29                           | 8.960               |
| 18- 22 Years<br>(216-275 Months)             | 296                            | 37                           | 11.360              | 256                            | 32                           | 9.840               |
| 23 Years<br>(276-287 Months)                 | 320                            | 40                           | 12.320              | 280                            | 35                           | 10.800              |
| 24+ Years<br>(288+ Months)                   | 344                            | 43                           | 13.200              | 304                            | 38                           | 11.680              |

#### 5. Return to Work

5.1. An employee is required to provide a release from their attending physician before returning to work if an employee has:

5.1.1. a physical or mental condition which may impair the employee's ability to perform the regular duties of their job,

5.1.2. been out of the workplace for more than 14 calendar days as a result of an illness or injury, or

5.1.3. been out on protected leave for their own health condition.

5.2. An employee will be allowed to return to work if the release certifies that the employee is able to perform the essential functions of the position with or without a reasonable accommodation.

5.3. The City will pay the cost of any verification by the health care provider that is not covered by insurance or another benefit plan.

#### 6. PTO Cash Out

6.1. PTO payout at separation of employment is limited to one year of accrual.

6.2. PTO payout at retirement is equal to the full PTO balance not to two times (2X) the employee's annual accrual rate.

6.3. In case of death, compensation for accrued PTO up to the cap shall be paid to the beneficiary of the employee.

## **Definitions**

1. "*Accrual Rates*" for PTO were developed using the following calculation:

- The full value of vacation plus
- one floating holiday (eight hours) plus
- an average historical usage value for bereavement leave plus
- 50% of the annual accrual rate for sick leave (48 hours).

2. "*Extreme Emergency*" is a situation beyond an employee's control requiring him or her to take leave time such as, but not limited to: officially declared emergencies, natural disasters, serious accidents resulting in major material loss (e.g., tree falls on house or vehicle).

3. "*Floating Holiday*" is one floating day of paid leave to be taken between the first full pay period following July 1 and the pay period end that includes June 30.

4. "*Observed Holidays*" are the recognized Federal and State holidays.

5. "*Oregon Sick Time Leave*" provides employees with up to 40 hours, per calendar year, of protected sick time off, provided that they have the available accrued PTO for the following reasons:

- For an employee's personal mental or physical illness, including pregnancy, childbirth and routine medical and dental appointments;
- To care for a family member with an illness, injury or medical appointment;
- If the employee's place of business closes for a public health emergency, or to care for a child whose school or daycare closes for a similar reason;
- To care for a family member whose presence in the community would jeopardize the health of others;
- If the employee is excluded from work by law due to health reasons; or
- For certain reasons related to domestic violence, harassment, sexual assault or stalking.

6. *“Paid Time Off (PTO)”* is accrued time that employee may use for personal leave, vacation leave, non-occupational injury or illness leave, bereavement leave or floating holiday leave. Employees who receive PTO are not eligible for separate leave banks for the above mentioned uses.
7. *“Traditional System”* is when an employee accrues separate banks of leave time for vacation, sick leave and floating holiday.

**Resources:**

1. [Americans with Disabilities Act Administrative Regulation](#)
2. [Family Medical Leave Administrative Regulation](#)
3. [Labor Agreements](#)
4. [Leave of Absence Administrative Regulation](#)
5. [Oregon Sick Leave Law ORS 653.600](#)
6. [Retirement Administrative Regulation](#)
7. [Springfield Guide to Workers Compensation](#)
8. Catastrophic Leave Bank (CLB) Guidelines:
  - 8.1. CLB can be used for conditions meeting Family Medical Leave Act or Oregon Family Leave Act guidelines, or other extreme emergency events;
  - 8.2. Hours can be donated to other employee’s CLB for qualifying requests;
  - 8.3. CLB cannot be used for bereavement leave unless it meets the OFLA standard;
  - 8.4. CLB can only be used, not cashed out;
  - 8.5. CLB does not accrue;
  - 8.6. Extreme Emergency use of CLB is determined by the Human Resources Director or designee in consultation with the department director.

**CREATION (Original):**

|  |  |               |            |
|--|--|---------------|------------|
| This administrative regulation is in effect as of the date of my signature. I authorize the Human Resource Director to modify the history and resources sections and header, footer, and numbering without my reauthorization. The administrative regulation remains in effect should these revisions occur. |  |               |            |
| <b>Approved By:</b>  | Gino Grimaldi, City Manager                        | <b>Dates:</b> | 09/06/2016 |
| <b>Author:</b>   | Greta Utecht, Human Resources Director             |               |            |
| <b>Responsible Party:</b>  | Human Resources                                    |               |            |
| <b>Replaces:</b>   | Replaces Paid Time Off Admin Regulation #03-08.06. |               |            |

**PERIODIC REVIEW:**

|                  |  |              |  |
|------------------|--|--------------|--|
| <b>Reviewer:</b> |  | <b>Date:</b> |  |
| <b>Reviewer:</b> |  | <b>Date:</b> |  |
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| <b>Reviewer:</b> |  | <b>Date:</b> |  |
| <b>Reviewer:</b> |  | <b>Date:</b> |  |

**REVISIONS:**

|                                  |                                   |   |              |                 |
|----------------------------------|-----------------------------------|---|--------------|-----------------|
| <b>Version</b><br><br><b>#2:</b> | <b>Responsible Party:</b>         | Human Resources   |              |                 |
|                                  | <b>Revised By:</b>                | Chaim Hertz, Human Resources Director.                          |              |                 |
|                                  | <b>Approved By:</b>               | Mary Bridget Smith, City Manager (Pro Tem)                      | <b>Date:</b> | October 8, 2019 |
|                                  | <b>Reason/Summary of Changes:</b> | Corrections to biweekly accrual amounts as listed on the chart. |              |                 |

**REVISIONS:**

|                                  |                           |  |              |              |
|----------------------------------|---------------------------|--|--------------|--------------|
| <b>Version</b><br><br><b>#3:</b> | <b>Responsible Party:</b> | Human Resources                        |              |              |
|                                  | <b>Revised By:</b>        | Chaim Hertz, Human Resources Director. |              |              |
|                                  | <b>Approved By:</b>       | Nancy Newton, City Manager             | <b>Date:</b> | June 2, 2020 |

|  |                                       |  |
|--|---------------------------------------|--|
|  | <b>Reason/Summary<br/>of Changes:</b> | Add wording to all an employee to exceed accumulation caps throughout the year so long as the employee's accrued vacation is under max by December 31 <sup>st</sup> of each calendar year. |
|--|---------------------------------------|--|